

Adopted 3/7/17

House Local Government Subcommittee Am. #1

Amendment No. \_\_\_\_\_

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Signature of Sponsor

FILED

Date \_\_\_\_\_

Time \_\_\_\_\_

Clerk \_\_\_\_\_

Comm. Amdt. \_\_\_\_\_

**AMEND Senate Bill No. 225**

**House Bill No. 169\***

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 67, is amended by adding the following as a new chapter:

**67-11-101.** This chapter shall be known and may be cited as the "Local Option Transportation Improvement Act."

**67-11-102.** As used in this chapter:

(1) "County" means any county located in this state and includes any county having a metropolitan or consolidated form of government;

(2) "Implementing agency" means any department of state government or local government, any public transit agency, or any county highway department in this state that is responsible for the planning or implementation of a transportation project or program;

(3) "Local government" means any county or municipality in this state;

(4) "Municipality" means any city or town in this state;

(5) "Public transit system" means all property, real and personal, useful for shared passenger transport services to the general public to include any building, structure, appurtenance, utility, transport support facility, transport vehicles, service vehicles, parking facility, or any other facility, structure, vehicle, or property needed to operate the transportation facility or provide connectivity between the public transit facility and any other part of the system of transportation infrastructure including, but not limited to, interstates, highways, roads, streets, alleys, and sidewalks; and



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(6) "Regional planning organization" means any formally designated metropolitan planning organization or rural planning organization that serves to plan and prioritize transportation projects for state and federal funds.

**67-11-103.** The purpose of this chapter is to authorize local governments within a county that is part of a regional transportation authority created pursuant to § 64-8-203, or within a county with a residential population in excess of three hundred fifty thousand (350,000), according to the 2010 federal census or any subsequent federal census, to collectively impose a countywide transportation improvement surcharge to fund all or part of the costs associated with maintaining, improving, expanding, or managing public transit facilities or systems and related infrastructure.

**67-11-104.**

(a) Revenue generated by the surcharge shall be deposited into a transportation improvement trust fund before being distributed to the implementing agency responsible for carrying out the eligible activities according to the program of projects developed pursuant to § 67-11-105.

(b) The use of revenue generated by the surcharge shall be limited to costs associated with the planning, engineering, development, construction, implementation, administration, management, operation, and maintenance of a public transit system, any transportation facilities located within a transportation corridor that has, or is planned to have, fixed-route public transit service, or any transportation facility that provides direct access to the public transit system. Revenue may also be used to implement or improve facilities used exclusively by pedestrians and bicyclists and to generally improve roadway safety conditions for motorists and nonmotorists.

(c) Revenue from the surcharge may be:

(1) Combined with other funding generated by local, state, or federal governments from taxes, fees, or fares, and may be used to match state aid funds and federal grants;

(2) Combined with private monies where allowed by law and used as a public entity's share of costs associated with a public-private initiative entered into pursuant to Chapter 975 of the Public Acts of 2016;

(3) Pledged to the payment of bonds issued for the purposes of financing transportation projects that meet the requirements of this chapter; or

(4) Directed or transferred to implementing agencies or other public entities that are more capable of carrying out the purpose of this chapter provided in § 67-11-103.

(d) Revenue generated by the surcharge from counties where one (1) or more local governments is a member of a regional transportation authority (RTA) that has been created pursuant to § 64-8-203 shall dedicate any or all of the surcharge to a regional transit account managed by the RTA per interlocal agreement made among members of such RTA for the purposes of jointly funding the planning, implementation, operation, maintenance, and management of a regional transit system.

**67-11-105.**

(a) Prior to imposing a surcharge:

(1) Local governments shall coordinate with public transit agencies, public works entities, and highway departments operating within the county, and with the department of transportation and the regional planning organization serving the county to develop a mobility improvement program ("program") in accordance with subsection (d); and

(2) The county mayor or the mayor of the municipality with the largest population within the county, according to the 2010 federal census or any subsequent federal census, shall establish a coordinating committee in accordance with subsection (b) to carry out the requirements of this chapter.

(b) A coordinating committee required by subdivision (a)(2) shall be composed of a minimum of ten (10) members as follows:

(1) The county mayor, or the county mayor's designee, to be confirmed by the county legislative body; provided, that a member of the county legislative body may serve as such designee subject to such confirmation;

(2) The mayor of each municipality within the county, or the mayor's designee, to be confirmed by the municipal governing body;

(3) The county highway superintendent, or the superintendent's designee;

(4) One (1) representative of the transportation, streets, or public works department of each municipality within the county;

(5) One (1) member appointed by the governing body of each local and regional public transit agency operating within the county;

(6) One (1) member appointed by the board of each regional planning organization which serves the county;

(7) The commissioner of transportation, or the commissioner's designee;

(8) One (1) member appointed by the largest chamber of commerce within the county, to be appointed after consultation with any other chamber of commerce within the county;

(9) One (1) member appointed by the county mayor; and

(10) One (1) member appointed by the mayor of the municipality with the largest population within the county, according to the 2010 federal census or any subsequent federal census.

(c) In making appointments to the committee under subdivisions (b)(9)-(10), the appointing authorities shall strive to ensure the broadest possible representation of citizens within the county, including minority populations.

(d)

(1) The duty of the coordinating committee is to develop a mobility improvement program to describe the proposed transportation projects and any

services, operations, or maintenance programs to be implemented with the funding generated by the surcharge. The program also must specify the tax and rate for which the surcharge will be imposed, and identify the mechanism for establishing the transportation improvement trust fund into which the funding will be deposited.

(2) In carrying out the duties of the coordinating committee, local governments are encouraged to engage the regional planning organization to facilitate meetings, prepare analysis, and document decisions related to the mobility improvement program.

(3) Prior to finalizing the mobility improvement program, the coordinating committee shall:

(A) Be in receipt of a resolution from the policy board of the regional planning organization certifying that the program is consistent with regional transportation plans and improvement programs that have been jointly adopted by the state and local governments across the region; and

(B) Conduct at least two (2) public hearings and shall give at least fifteen (15) days advance notice of the time, place, and purpose of each public hearing by notice published in a newspaper of general circulation throughout the county.

(4) The mobility improvement program developed by the committee shall be ratified by joint resolution of the governing bodies of jurisdictions representing at least fifty percent (50%) of the entire residential population within the county in which the surcharge is proposed to be levied. The joint resolution shall contain the information required by subdivision (d)(1). A certified copy of the joint resolution shall be submitted to the county election commission upon ratification.

(a) A surcharge may be imposed on a local tax, or combination of local taxes, that is being levied and collected by or on behalf of a county or municipality pursuant to titles 5, 6, or 7; this title; or private act at the time a mobility improvement program is ratified by joint resolution in accordance with § 67-11-105(d)(4).

(b) No joint resolution authorizing the surcharge under this chapter shall take effect unless the joint resolution is approved by a majority of the number of qualified voters of the county voting in an election on the question of whether or not the surcharge should be levied.

(c) Within ten (10) days of receipt of the joint resolution ratifying the mobility improvement program as provided in § 67-11-105(d)(4), the county election commission shall call an election for the county to be held in a regular election or in a special election for the purpose of approving or rejecting such levy of the surcharge, which shall be conducted as follows:

(1) The ballots used in the election shall have printed on them the substance of the joint resolution and the voters shall vote for or against its approval;

(2) The votes cast on the question shall be canvassed and the results proclaimed by the county election commission and certified by it to the county legislative body;

(3) The qualifications of voters voting on the question shall be the same as those required for participation in general elections;

(4) All laws applicable to general elections shall apply to the determination of the approval or rejection of the levy of this surcharge; and

(5) If the majority vote is for the levy of the surcharge, the surcharge shall be deemed to be approved on the date that the county election commission makes its official canvass of the election returns. No surcharge shall be collected

until the first day of a month occurring at least thirty (30) days after the date of approval of the levy of the surcharge.

(d) The surcharge shall be collected in the same manner provided in titles 5, 6, or 7; this title; or private act for the tax in connection with which the surcharge is levied and deposited into the transportation improvement trust fund established pursuant to §§ 67-11-104 and 67-11-105.

(e) Any surcharge levied pursuant to this chapter shall remain in effect on a perpetual basis as permitted by law, unless the authorizing joint resolution shall provide for a specific date or conditions for termination.

(f) Any joint resolution adopted in accordance with this chapter may be repealed in the same manner as provided by this chapter for its adoption; provided, that any election for the repeal of a surcharge shall be open to the voters of the entire county.

**67-11-107.** The surcharge levied pursuant to this chapter is a separate charge and shall be in addition to all other taxes and fees levied by local governments pursuant to titles 5, 6, or 7; this title; or any private act. The surcharge shall not otherwise affect the levy, administration, or use of taxes authorized by titles 5, 6, or 7; this title; or private act, nor shall any other section of titles 5, 6, or 7; this title; or any private act supersede the provisions for the levy, administration, or use of the surcharge in this chapter.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.

Adopted 3/7/17

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Signature of Sponsor

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Clerk \_\_\_\_\_

Comm. Amdt. \_\_\_\_\_

AMEND Senate Bill No. 707\*

House Bill No. 978

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 7, Chapter 53, Part 3, is amended by adding the following as a new section:

(a) As used in this section:

(1) "Local government" means any home rule municipality located within any county having a population of not less than fifty-four thousand one hundred (54,100) nor more than fifty-four thousand two hundred (54,200), according to the 2010 federal census or any subsequent federal census; and

(2) "Remediation site" means a site containing at least one thousand three hundred (1,300) acres that have been held by the United States department of energy due to an extended period of environmental remediation and conveyed by the United States department of energy to a nonprofit entity that is recognized as tax exempt by the internal revenue service and engaged in economic development.

(b) Upon receiving all authorizations required by this chapter, on or after July 1, 2017, any and all parcels of property located on a remediation site in a local government may be transferred to the industrial development board of the local government consistent with the terms of the conveyance. The industrial development board is authorized to sell, lease, dispose of, or contract for the operation of the property in furtherance of the public purpose of promoting economic development in that area.

(c) Upon transfer of the parcels to the industrial development board as provided in subsection (b), a lawful management or lease agreement shall be executed between



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the industrial development board and the nonprofit entity described in subdivision (a)(2), in which the United States department of energy's intent is clearly memorialized, including a provision that the nonprofit entity shall manage the remediation site and shall market the parcels to potential buyers in order to induce manufacturing, industrial, governmental, educational, financial, service, commercial, recreational, and agricultural enterprises to locate or remain in the area.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.

Adopted 3/1/17

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Comm. Amdt. \_\_\_\_\_

**AMEND Senate Bill No. 1370**

**House Bill No. 425\***

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 67, Chapter 5, Part 20, is amended by adding the following as a new section:

(a) With respect to a de minimus property tax totaling less than five dollars (\$5.00) as calculated for a duly assessed parcel or account of property, if authorized by a private act, resolution, or ordinance levying the tax, the county trustee or other property tax collecting official may:

- (1) Decline to bill the tax;
- (2) Decline to refer the tax for further collection; or
- (3) Abate any penalty or interest otherwise due for late payment of the tax.

(b) The tax collecting official shall maintain a list of de minimus taxes by account or parcel and by year, and the tax may be collected when a tax related to the same parcel or account is tendered for a later year; provided, that such collection is not barred by any applicable statute of limitations.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.



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